

Clearinghouse Carrier Survey

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Citizens' staff conducted interviews with targeted admitted private-market carriers to gain a better understanding of their interest in Clearinghouse participation.

Interviews were intended to uncover issues related to:

- Increasing participation/activity from current participants
- Barriers for entry for non-participating carriers
- Incentives that may increase participation for Clearinghouse and depopulation

Carriers provided their top reasons for either not participating or participating but not making offers in the Clearinghouse. Summary answers are listed below starting with the most common response to the least.

Not Participating

1. Do not need or want additional business
2. Citizens premium is much lower
3. Cost or availability of internal IT resources to join/not an IT priority
4. Tightly controlled/small agency force
5. Cost to join
6. Skeptical of risks agents place in Citizens
7. Not currently writing business in Florida

Participating But Not Extending Offers

1. Citizens premium is much lower
2. Do not need or want additional business
3. Changed internal underwriting engine

Conclusions and Path Forward

- Effectiveness of Clearinghouse has diminished over a decade due to change in marketplace, especially:
 - Greatly decreased carrier appetite.
 - Greatly increased premium difference between Citizens and private market.
- However, Clearinghouse still has an important part to play.
 - Determination of eligibility for risks seeking coverage from Citizens.
- Therefore, the focus and understanding of the role of Clearinghouse should pivot FROM providing markets for agents TO ensuring eligibility is properly determined across as many carriers as possible.
- Citizens Reimagined aims to do exactly this by:
 - Creating a more effective information exchange of information between carrier, agents, and Citizens.
 - Levering existing comparative rating platforms to determine eligibility.
 - Ensuring any new business policy submitted to Citizens is compared to all carriers with which an agent is appointed.